Ms. Sandra Watson  
President & CEO  
Arizona Commerce Authority  
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Ms. Watson,

I want to begin by thanking you and the Governor for your partnership during this public health emergency. Recognizing that the Arizona Commerce Authority has been tasked with obtaining input from the business sector on policies that would be beneficial in the reopening of the Arizona economy, I wanted to reach out to you on behalf of the nonprofit and philanthropic sectors to provide our recommendations.

As you are likely aware, Arizona’s nonprofit sector is the fifth largest nongovernment employer in Arizona and generates more than 8% of the state’s Gross State product, an amount that is on par with the state’s retail industry. In addition, Arizona’s 21,137 registered nonprofits collectively generated approximately $28 billion in revenue, approximately on a par with the annual revenue generated by the construction sector in the state.

As such, we see the nonprofit sector as an important part of the state’s economy and would like to provide you with our comments and suggestions on how the state should approach its needed economic recovery.

Recently, the Alliance of Arizona Nonprofits reached out to our members as well as our philanthropic partners to see what suggestions they might have for you and the Governor.

Overwhelmingly, the nonprofit community asks that the state move slowly towards reopening and works to make widespread testing available.

For those nonprofits that are providing “essential services”, they believe that they will need to practice social distancing for some time to ensure individuals’, staff’s and volunteers’ safety. We will need the State’s support in ensuring that the community understands why these measures are still in place, even if the state slowly reopens. We also want to ensure that we continue to protect the vulnerable populations we have worked so hard to minimize the impact for – those who live or receive services in congregate settings like seniors, individuals experiencing homelessness, and individuals with intellectual and developmental disabilities.
All of us as employers and community members will also need to recognize the stress that the everyone – including our employees and volunteers – have been under. Employees and volunteers will need time to acclimate back to a “normal” workday. In addition, because schools and congregate settings will likely remain closed even as we begin to open back up, we will need to address how we support those employees who need childcare to return to work.

Specifically, as the state considers how to reopen, please consider the following initial recommendations from the nonprofit and philanthropic sectors:

**Childcare Concerns**

- The State needs to ensure that childcare facilities and similar programs (summer schools, day camps, etc.) have mechanisms to open and remain open as employees head back to work. Temporary and permanent closures of these essential services (and the resulting increased scarcity of seats) as the economy tries to reopen are going to adversely impact employees’ ability to return to work. The State should ascertain what this sector needs to ensure they can reopen safely to make sure employees can go back to work knowing their children are taken care of.
  - Be mindful that employees/families returning to the workforce will need affordable, quality childcare and programming. Schools are closed and youth need safe, structured, engaging programming for the next few months. This must be a comprehensive, collaborative and coordinated effort with public/private support. Youth will need academic/learning loss programs, social emotional support, healthy lifestyle programming, physical activities, arts enrichment, etc.
  - In addition, we need to recognize that others may not have access to their childcare backup or safety net due to the outbreak (for example, we are remaining socially distant from elderly grandparents who usually watch the kids when they were sick). Some employees may need childcare that did not before.
  - What does social distancing in these programs look like? Too small a ratio will be unmanageable for providers; too large a ratio will be a public health issue. Settings need flexibility from the State to ensure they can reopen safely.

**Employer Concerns**

- Be mindful that employees who have been working from home full time, along with full-time parenting and part-time home schooling are exhausted. Productivity and employee retention will likely be issues we need to address as we slowly reopen.
• As commerce reopens, cleaning supplies, hand sanitizers, etc., will become even more scarce. It will be important for the State to help support the community in getting what they need to safely reopen.

• The State guidance should continue to support employers in their public health and social distancing requirements. Messaging needs to support employers so that they can continue to make decisions that they believe protects their employees, volunteers, and the public.

• The State should consider scenarios in which businesses get back to work but an employee or volunteer contracts COVID-19 after restrictions are lifted. Will employers be subject to new or different liability concerns?
  o What if the employee does not have adequate sick time to self-quarantine? How will they be supported during their time away? The State should consider which programs should stay available to employees who may end up in this situation.

Planning for Schools to Reopen in August

• The State must also begin to consider how schools can reopen in August. What will social distancing look like then? Our student to teacher ratio is high, and it will be difficult to solve for the staff and facilities issues that may occur if a drop in class size is needed.

• The state should expect that additional wrap around services will be needed to help close gaps exacerbated by 6 months without school.

The Alliance will continue to gather feedback from nonprofits and the philanthropic community. As we receive other recommendations, we will forward them to you.

Again, thank you for your partnership as we collectively address the needs of Arizonans during this public health emergency.

Sincerely,

Kristen Merrifield
Chief Executive Officer